Crises and the Transformation of the National Political Space in Europe

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1.1 Introduction

In *European Party Politics in Times of Crisis* we shall study the transformation of national party competition in the shadow of the great economic crisis that Europe underwent in the aftermath of the fall of Lehman Brothers in the autumn of 2008. We take this event as the beginning of the Great Recession, which, after having first hit the United States, quickly spread to Europe. As is well known, almost all the European economies contracted in the first storm of the financial crisis. Most countries recovered fairly quickly after this first 'shock', but especially those in southern Europe have been caught in a spiral of stagnation, high unemployment (especially among young people) and public debt ever since. Moreover, the financial crisis soon developed into the so-called euro crisis. The governments of the weaker economies were unable to cope with the economic crisis, and the structural weaknesses of the European Monetary Union (EMU) were revealed. Ultimately, the countries that needed financial assistance had to accept tough conditions imposed by their international creditors. Most importantly, they had to adopt austerity policies, with harsh consequences for large parts of society and with important implications for the structuring of their party systems.

Our key question in this book is how the multiple crises that Europe faced in the aftermath of the Great Recession influenced the intensity and structuration of political conflict in national party systems. In particular, we ask how the cultural integration–demarcation divide that had been shaping up in north-western Europe before the onset of the Great Recession was affected by these multiple crises and whether this divide was 'travelling' to the European south and east.

To answer these questions, *European Party Politics in Times of Crisis* covers party competition in the national electoral arenas of fifteen European countries, with seven cases from north-western Europe

(Austria, Britain, France, Germany, Ireland, the Netherlands and Switzerland) and four each from southern Europe (Greece, Italy, Portugal and Spain) and central-eastern Europe (Hungary, Latvia, Poland and Romania). The study focuses on the years from the early 2000s to 2016, i.e. a period in which Europe faced multiple economic, political and cultural challenges. In several countries, the economic crisis was linked to an (emerging or existing) political crisis. When the economic crisis combined with a political crisis, its impact on the structuration of the country's party system seems most pronounced. Moreover, the last years of the period covered by this study were characterised by the so-called refugee crisis, precipitated by a massive inflow of asylum seekers (especially from war-ridden Syria). These crises did not affect all the countries in the same way. Instead, we observe pronounced differences across and within the European regions. Accounting for the different ways in which the crises were articulated politically not only constitutes a challenging puzzle for comparative political science but is also of utmost social and political relevance.

In our endeavour to come to terms with the political fallout from these crises, we rely on a dynamic concept of cleavage formation (see Bornschier 2010; Kriesi et al. 2008, 2012). As in previous work, our structural approach starts from the idea that political parties are constrained to operate within a given competitive space. From the perspective of this approach, new issues and changes in the dimensions of party competition emerge exogenously, i.e. from social conflicts which are products of long-term social change. Following the Rokkanean tradition, we link the structure of party competition in Europe to long-term trends in society (Lipset and Rokkan 1967a; Rokkan 1999). Thus, it is crucial to our understanding of the changing national party systems that the potential impacts of the multiple crises on European politics were embedded in processes of change that had been going on long before the onset of the Great Recession (see also Hooghe and Marks 2018). The decisive question then is that of the extent to which the different crises might have led to new divisions in societies or instead reinforced tensions that had already been politically articulated and mobilised in the past. At the same time, our approach to party competition considers the dynamics of political conflict and the agency of political actors in structuring new divides. To keep a cleavage alive or to reinforce the relevance of a new social divide, the core issues linked to it need to give rise to publicly visible conflicts. At this point, the more strategic approaches to party competition have much to offer as they focus on the strategies used by political parties to expand the scope of conflict, as

Schattschneider (1975 [1960]) aptly put it.[1] Most important in this context are strategies of position-taking and issue emphasis (see, e.g., Hobolt and de Vries 2015). From such a perspective, it is crucial to ask which type of political party might be most likely to exploit the mobilisation potentials induced by the crises and with what kind of strategy.

Figure 1.1 presents the theoretical framework which guides our analysis of the consequences of the Great Recession on the structuration of party competition in Europe. As the figure indicates, the transformation of national party systems is ultimately driven by long-term processes of structural societal change. These processes relate above all to changing social conflict structures and the degree of their institutionalisation in national party systems in the period before the crisis hit the continent. In addition, the transformation of party systems is constrained by national regime legacies and also by the emerging multi-level political system of the European Union. At any given moment in time, including the moment when the Great Recession took off in autumn 2008, the structuration of party competition is decisively shaped by these long-term processes of structural change.

An economic crisis like the Great Recession may serve as a catalyst to the transformation of the existing configuration of a party system. The impact of the crisis is likely to depend on its severity and its timing in relation to ongoing processes of change. In the short run, economic crises lead to punishment of incumbents. This is a well-known tenet of the economic voting literature. In a deep economic crisis such as the Great Recession, voters' disenchantment with mainstream parties and their embrace of challenger parties may, however, go beyond the narrow confines of economic voting. The economic crisis may undermine the legitimacy of all mainstream parties and even of the democratic system as it has been operating in a given country (i.e. the economic crisis may give rise to a political crisis, which may be at the origin of a profound transformation of the national party system). However, in our framework, the impact of a crisis situation on a transformation of party competition not only depends on its previous structure and the type and extent of the crisis but also on more contingent political conditions at the moment when the crisis hits. Most importantly, we also take into account the composition of the incumbents at the time of the crisis and the strategies employed by the main protagonists in the ongoing political struggles.

[1] On the difference between structural and strategic approaches, see de Vries and Marks (2012).

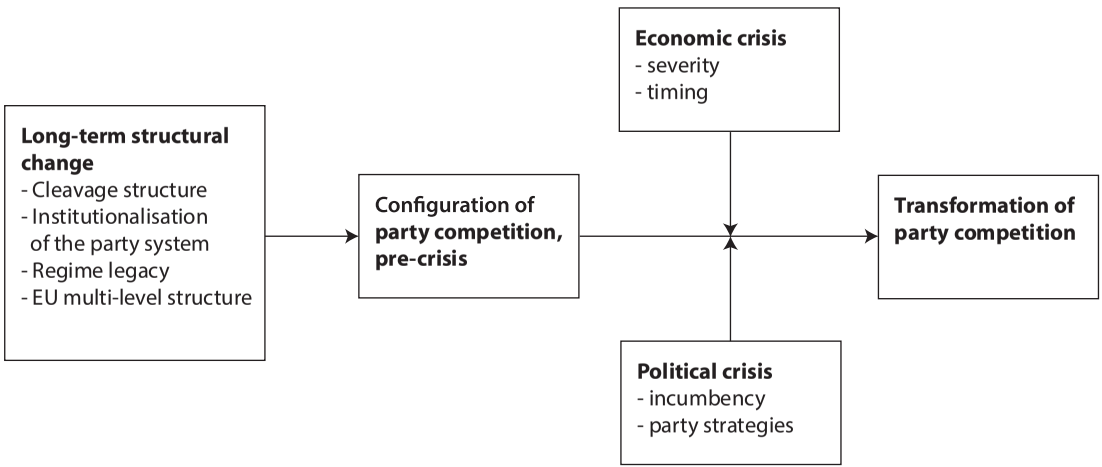

Figure 1.1 Theoretical framework

In this introductory chapter, we discuss each element of our framework. We start with the long-term trends (Section 1.2) and the structuration of party competition before the Great Recession (Section 1.3). Next, we focus on the questions of why and under what conditions crises might act as triggers for the transformation of party competition (Section 1.4), before drawing out more specific implications for the resulting patterns of change (Section 1.5). Importantly, we stress that the long-term processes of change and the crisis experiences varied considerably between three macro-regions of Europe – north-western Europe (NWE), southern Europe (SE), and central and eastern Europe (CEE). While we shall present the developments in fifteen individual countries, we believe that as a first step it makes sense to reduce the complexity by insisting on the major differences that exist between these three macro-regions. Therefore, what we present in this introductory chapter are stylised accounts of differences among the three regions which are then used as reference points in the detailed empirical country chapters that constitute the core of this volume.

1.2 Embedding the Economic Crisis in a Long-Term Perspective

As outlined, we first introduce the three long-term structural factors that we consider to have had a decisive influence on the structuration of party competition in the long run. As shown in Figure 1.1, these are long-term processes of societal change, regime legacies and the ever-more-important multi-level system of European governance.

For the conceptualisation of long-term processes of societal change, we refer back to Rokkan's seminal approach, according to which European countries have been profoundly shaped by a series of social and political 'revolutions'. These revolutions resulted in a limited set of clearly identifiable deep-seated conflicts (Lipset and Rokkan 1967; Rokkan 1999). The two key conflicts have been those of religion and class, with a centre–periphery or regional conflict taking on some importance in some countries too. These conflicts have been described in terms of 'cleavages' because they can be reduced neither to social divides ('social cleavages') nor to purely political struggles ('political cleavages'). We agree with Bartolini (2005) that the concept of 'cleavages' when properly understood does not come with adjectives attached. A fully developed cleavage includes an empirical, a normative and an institutional element – that is, a distinct social-structural basis, specific values and beliefs (a political consciousness), and their political organisation and mobilisation (Bartolini and Mair 1990).

In our earlier work, we argued that the deep-seated two-dimensional structure of the north-western European party systems defined by religious and class conflicts has been decisively modified since the 1970s by two fundamental societal transformations, which created structural potentials that were then mobilised by political parties (Kriesi et al. 2008, 2012). On one hand, we refer here to the growing impact of conflicts linked to the 'silent revolution' of cultural change in west European societies (Inglehart 1977), which was in turn an expression of processes of deindustrialisation, the expansion of tertiary education, feminisation of the workforce and occupational upgrading. On the other hand, we refer to processes of globalisation or 'denationalisation' (Zürn 1998), understood as the opening-up of economic, cultural and political national borders, which started to accelerate from the late 1980s.

Both transformations fundamentally reshaped European societies. According to our argument, the 'silent revolution' drove a wedge into the new middle class, opposing socio-cultural professionals to technocrats and mangers (see, e.g., Kriesi 1989). By contrast, increasing international economic competition, an increasing influx of migrants from ever more distant and culturally more different shores, and increasing political integration in the European Union created conflicts between what we call the 'winners' and 'losers' from globalisation (see, e.g., Kriesi et al. 2008, 2012). The 'losers' from globalisation are people whose life chances were traditionally protected by national boundaries. They perceive the weakening of these boundaries as a threat to their social status and their social security. They are a heterogeneous group, because they may be losing in economic terms (as a result of increasing international economic competition, delocalisation and foreign worker immigration), in cultural terms (because they are not prepared to cope with a multicultural society) or in political terms (as a result of supranational integration). The 'winners', on the other hand, include people who benefit from the new opportunities resulting from globalisation and whose life chances are enhanced. The essential criterion for determining the impact of the opening up of national boundaries on individual life chances is whether or not someone possesses exit options. As we will discuss, these conflicts have been shaping the party systems in NWE, while their impact on the those in SE and CEE is much more uncertain.

Apart from social change, in our framework we emphasise the effects of regime legacies on the structuration of party competition. While countries in NWE have been democracies at least since World War II, with the exception of Italy the larger countries in SE only emerged from their authoritarian past in the second half of the 1970s, and the transition to democracy of the CEE countries only dates from the early 1990s. This has

significant implications for the institutionalisation of the party systems in the respective countries. As is well known, such institutionalisation takes time. In his 'Reflections on the revolution in Europe', Dahrendorf (1990: 79–93) distinguishes between three speeds of the political transition to democracy: the hour of the lawyer; the hour of the politicians; and the hour of the citizens. He suggests that the hour of the lawyer, i.e. the formal process of constitutional reform, takes at least six months. After the establishment of a constitution, normal politics takes over and sets in motion political and economic reforms. This is the hour of the politicians, which takes at least six years before a general sense that things are moving ahead is likely to spread. The third speed refers to the citizens, i.e. to 'the social foundations which transform the constitution and the economy from fair-weather into all-weather institutions which can withstand the storms generated within and without, and sixty years are barely enough to lay these foundations' (p. 93). It is the hour of the citizens which is most important from the point of view of the structuration of party systems: as a result of their belated democratisation, the party systems of SE and CEE were less institutionalised than the party systems of NWE when the Great Recession struck.

These party systems were less rooted in the social structure and, as a result, more easily transformed under the impact of the economic crisis. For the CEE countries in particular, Mair (1997: 192) notes as their most striking feature their 'lack of systemness', in the sense of 'patterned interactions' between parties. In his assessment (p. 192), a 'combination of a weak cleavage structure, an uncertain and volatile institutional environment, and a very open and unpredictable structure of competition' constrained the consolidation of the party systems in this part of Europe. In SE, too, the newly emerging systems were organisationally somewhat weak and much less rooted in the social structure than their NWE counterparts, even if these countries rapidly developed stable party systems when they emerged from their authoritarian regimes (Gunther 2005). Except for the Communist parties and the Spanish Socialists (PSOE), party builders in SE were unconstrained by institutional models and were free to create modern electoralist parties, mainly of the catch-all and the personalistic types. To be sure, in Italy a strong party system was established as it returned to democracy after World War II. The parties even became the linchpin of Italian politics ('partitocrazia'). However, the Italian party system was swept away in the early 1990s under the joint impact of deep political and economic crises. The new system that replaced the old one in 1994 proved to be as weakly rooted in the social structure as the party systems in the other three countries, and just as dominated by

electoralist parties of the catch-all and personalistic types (see, e.g., Bartolini et al. 2004; Newell 2006; Pasquino 2007).

At the same time, the legacies of the previous non-democratic regimes continue to contribute to the structuring of party competition in SE and CEE. In CEE, the legacy of communism served to discredit the post-communist left and the radical left in general. Thus, the first free elections were 'largely a referendum on the discredited communist regime' (Grzymala-Busse 2002: 180). The communist parties were trounced and appeared to be spent forces. Nonetheless, some successor parties successfully broke with the past and made a comeback in later elections. The successful strategy of regeneration of the left entailed avoiding appeals to nostalgia and socialist ideology. As Tavits and Letki (2009: 556) argue, not only the former communists but also the New Left 'had to stay away from strong socialist policy positions to avoid being associated with the former regime'. In SE, in turn, the parties on the right faced an equivalent problem because of the legacy of previous authoritarian and/or fascist regimes. Only in Italy did the fascist right survive the fall of the regime and remain able to organise itself openly. But, paradoxically, the Italian neo-fascists started to decline at the very moment when the radical right began its rise in NWE, precisely because of their solid neo-fascist lineage (Ignazi 2003: 52). Only by distancing themselves from this legacy could they make a fresh start.

Finally, we need to keep in mind that, apart from Switzerland, all the countries included in our study were members of the European Union during the period covered. The embedding of national party competition in the multi-level structure of the EU polity has implications for the structuring of national party systems. First, national politics have become increasingly constrained by supranational decision-making. This became particularly apparent in the political crisis management of the euro crisis. With the shift of decision-making competences to the EU level, the European integration process, which is part and parcel of the new conflict linked to the opening up of national borders, has become more critical for party competition and political representation at the national level.

Second, it is important to keep in mind that there are two channels of representation of national interests at the European level – a channel each for the representation of nation states (in the European Council and the Council) and for that of citizens (in the European Parliament), and that the EU has consistently privileged the representation of nation states over the representation of individual citizens (Schimmelfennig 2010: 220). This implies that in the EU the partisan channel is underdeveloped compared to the intergovernmental channel. The representation of

nation states prevails, which means that national executives together with supranational executive actors dominate the policy-making process and the public debate at the European level. Again, this became most visible during the management of the euro crisis. The prevalence of the intergovernmental channel at the European level does, however, not necessarily imply that the EU polity has been constructed as 'a protected sphere, safe from the demands of voters and their representatives', as Mair (2013: 100–109) claims. However, it implies that the partisan representation is still essentially confined to the national arena and that the politicisation of European integration takes place at the level of national politics.

Third, the relevance of the multi-level structure of the EU polity to national politics is likely to vary not only between member states and non-member states of the EU but also among member states. During the Great Recession, it was arguably more important for eurozone members and, among the latter, for the debtor states which became the object of supranational crisis management.

1.3 The Structuration of Party Competition at the Onset of the Great Recession

We now turn to the impact of the three long-term structural transformations on the structuration of national party competition. From our perspective, party competition is above all programmatic or issue-based (i.e. parties compete with each other by positioning themselves on various political issues and by manipulating the salience of these issues).[2] We focus on the political actors who have mobilised the structural potentials created by long-term societal change and on the issues that have come to define the conflicts articulated by these actors.

As Hooghe and Marks (2018: 112) argue, in various ways established parties are constrained in their positioning on major conflict dimensions, which implies that the source of dynamism in party systems in response to major shifts in voter preferences (i.e. in response to long-term societal change) comes from new political parties. Most importantly, we would argue, established parties are constrained by the distinct programmatic reputations which they have acquired as a result of their mobilisation of past structural conflicts.[3] While new political parties have a significant advantage in mobilising conflicts arising from societal change, their rise is

[2] Admittedly, this is a restricted view of party competition, as parties may also compete in clientelistic or personalistic terms.

[3] This is the sense of 'issue ownership': the parties have what Petrocik (1996) describes as a history of attention, initiative and innovation towards specific issues, which leads voters to attribute them greater credibility on these issues. As Scammel (1999: 729) observes:

conditioned by processes of dealignment (i.e. processes linked to the decline of the traditional cleavages of religion and class), by the institutional context (above all the electoral system) and by the strategies of the established parties (dismissive, adversarial or accommodating) (see Kriesi 2008). We shall not, however, enter into the details of the rise of new challengers in specific national contexts but instead will present a rough outline of the pattern of party competition at the onset of the Great Recession in the various regions. We start with NWE, where the process of structural change has advanced most and where its articulation in the party system has (with the notable exception of Germany) been least impeded by regime legacies.

In NWE, in the aftermath of the 'glorious' postwar period, which came to an end in the 'stagflation' of the 1970s, two waves of political mobilisations articulated the new types of social conflicts that were to become crucial for the structuration of the west European party systems. The first wave (the wave of the New Left) was an expression of structural transformations that were endogenous to the European nation-states – the 'silent revolution', which was driven by the socio-cultural segment of the new middle class that articulated its demands in the so-called new social movements. This revolution gave rise to the 'new politics', which have mainly transformed the left (see, e.g., Müller-Rommel 1989a): the new social movements stood at the origin of the rise of the Green parties and of the transformation of the west European social-democratic parties, which during the process became middle-class parties in almost all the countries of western Europe (see, e.g., Gingrich and Häusermann 2015; Häusermann 2015; Kitschelt 1994).

The second wave (the wave of the New Right) started in the early eighties with the rise of the Front National (FN) in France and continues to the present day. This second wave relates to social conflicts arising from 'globalisation'. As we have argued, the heterogeneous set of 'losers from globalisation' have been most successfully mobilised by the radical populist right (Kriesi et al. 2006, 2008, 2012). In this process, these parties of the populist radical right, which we label with the broader term 'New Right',[4] have become the party of the working class in many west European countries (Oesch 2008, 2013; Afonso and Rennwald 2015). Some of these parties have been newly emerged (such as the FN,

'Reputation, based on record and credible promises, is the only thing of substance that a party can promote to potential voters.'

[4] We use the term 'New Right' to refer to the populist radical right (PPR) party family and some transformed conservative-right parties (in particular, in central and eastern Europe) which do not so easily fall under the PPR label but play a functionally equivalent role in their respective party systems (see, e.g., Hanley 2008).

VB, PVV, LN, FP, DF and SD), while others (such as the FPÖ, the SVP and the True Finns) are transformed (liberal-)conservative mainstream parties.

What the two waves of mobilisation have in common is that they were concerned above all with cultural issues. They primarily transformed the meaning of the cultural dimension of the party space, which, in the European context, had traditionally been dominated by issues related to religion. Interpreting the impact of the New Left, Kitschelt (1994, 1995) re-baptised the cultural dimension as the 'libertarian-authoritarian' dimension; Hooghe et al. (2002) called it the GAL-TAN dimension; focusing on the impact of the New Right, we choose to relabel it the 'demarcation-integration' dimension (Kriesi et al. 2006, 2008). Theorising the joint impact of both waves, Bornschier (2010a, 2010b, 2015) suggests that the reshaped cultural dimension refers to a fundamental conflict between universalistic and traditionalist communitarian values (traditionalism invokes the rejection of universalism, while communitarianism makes reference to the populist right's conception of community). As he argues, the crystallisation of this conflict remained partial as long as the New Right did not provide the counter-position of the New Left with a broader and more permanent basis.

Moreover, it is important to note that the cumulative effect of the two waves of mobilisation has been a continual erosion of mainstream parties. To the extent that they were not responsive to the new fundamental conflict, they increasingly lost voters to the challenger parties that mobilised the voters who felt neglected by them (Mair 2013; Kriesi 2014b; Hobolt and Tilley 2016). Alternatively, the shift in party competition to the cultural dimension and the erosion of the mainstream parties have been explained by their convergence along the economic dimension, which is a result of the decline of the traditional class cleavage and the increasingly restricted options in macro-economic (but not in social) policy-making (Kitschelt 2007). Along the economic dimension, the moderate left has been moving to the right, while the moderate right has been moving to the left (see, e.g., Morgan 2015). However, what these arguments overlook is that in spite of the decrease in the polarisation of the main protagonists along the economic dimension, economic issues have remained salient for party competition. As the mainstream parties' positions on economic issues converge and these issues become 'valence issues', parties are still seeking to differentiate themselves in terms of competence (i.e. the means proposed to achieve the shared goals) (Stokes 1963, 1992). For valence issues, performance and a reputation for being a credible and competent defender of the common goal, i.e. issue ownership, become decisive for a party's success. As issue

ownership has proven to be more fluid and contested than initially assumed (Bélanger and Meguid 2008), competition on valence issues may remain intense. Parties may lose their reputations for competence to their main competitors as a result of exogenous shocks (e.g. the British Conservatives in the 1992 ERM crisis [Clarke et al. 2004]) or they may successfully 'trespass' (Sides 2006) on the opposing camp's preferred territory (see, e.g., Arndt 2013).

For our argument, it is crucial that the structural transformations and the double wave of political mobilisation they gave rise to were much weaker in the other two regions of Europe. In SE, Greece, Portugal and Spain remained under authoritarian regimes until the mid-1970s. Accordingly, the mobilisation by new social movements .was comparatively weak or non-existent in SE,[5] and there was no significant New Left at the time (see, e.g., Kitschelt 1988). As the new systems emerged, the moderate Social-democratic parties came to be the main force on the left, while the Communists – who had originally dominated the split left in SE – declined in all four countries. The continued presence of the Communists and the heavy legacy of the deep rift between Communists and Socialists implied, however, that the New Left, to the extent that it did develop at all, remained in the shadow of the 'old left'. Accordingly, Green parties have been weak in SE and the socialists have assumed fewer of the characteristics of the New Left than they have in NWE. In a way, the mainstream parties of the left have belatedly taken up many of the concerns raised by the New Left in NWE. This is exemplified by more recent struggles over abortion or gay rights in the 2000s (for the Spanish case, see Encarnación 2009).

The second transformation did not have the impact on SE party systems that it had in NWE either. On the right, the party systems that emerged after the rupture in SE were dominated by a moderate centre-right party in all four countries. The remaining impact of the traditional conflicts of class and religion together with newly introduced electoral systems (in Italy after the referendum of 1993) favoured a bipolar party competition between 'catch-all' parties on each side of the left–right divide:[6] secular parties on the moderate left faced conservative-confessional parties on the moderate right (see Polk and Rovny

[5] There are comparative data for Spain in the 1980s which show the weakness of these movements (Koopmans 1996: 38–40).

[6] Although Greece, Portugal and Spain have proportional systems, the electoral formulas and/or the size of the electoral districts render their outcomes somewhat majoritarian. In Italy, the new electoral system that was introduced in 1994 favoured the formation of bipolar electoral coalitions, although not necessarily the formation of a bipartisan system (D'Alimonte and Bartolini 1997).

unpublished). In Portugal, exceptionally, the mainstream right stabilised with a division between a dominant liberal-conservative party (PSD) and a minor conservative party (CDS-PP).

The New Right remained weak or inexistent. As previously mentioned, the radical right was largely discredited by the authoritarian legacy. In addition, it was weakened by the centre–periphery cleavage, by the fact that immigration had hardly been an issue in these emigration countries until recently and by the generally positive attitude of southern Europeans with respect to European integration (which was seen as a modernising force and a safeguard against authoritarian tendencies [see Díez Medrano 2003]). Neither in Portugal nor in Spain did the New Right get a foot on the ground. In Portugal, the revolution was dominated by forces of the extreme left and no party dared present itself as a conservative force and thereby risk being linked to the old regime (Gunter 2005: 271). In Spain, too, rejection of the past constituted a handicap for the New Right as did the salience of the centre–periphery cleavage, which implied that "nativism was to a certain extent already credibly occupied by established parties" – centralist parties of the mainstream right and peripheral-nationalist parties which dominated party competition in the autonomous regions (Alonso and Rovira-Kaltwasser 2015: 8). In Italy and Greece, the New Right did succeed in establishing itself but remained linked to the centre–periphery cleavage (in Italy: Lega Nord) or proved to be a minor force (in Greece: LAOS). Euroscepticism, to the extent that it existed at all, was mainly located on the old Communist left (Verney 2011).

In CEE, the two transformations that had a profound impact on party systems in NWE did not occur to the same extent either. As in SE, the 'cultural revolution' of the late sixties/early seventies hardly had an impact at all, given the grip of the Communist regimes on the countries in question, and the effect of 'globalisation' was much more closely linked to the economic and political transition after the breakdown of the Communist regimes. From our long-term perspective, as already mentioned, the newly emerging party systems in the CEE countries still appear to be less institutionalised than the party systems in western Europe (Casal Bértoa 2014; Casal Bértoa and Enyedi 2015). The very high level of volatility in these systems since the democratic transition is the most important empirical evidence of their lack of institutionalisation (see, e.g., Birch 2003; Powell and Tucker 2014; Sikk 2005). Haughton and Deegan-Krause (2015) suggest that there are 'new party subsystems' in the CEE party systems, where with a succession of new parties one new party is replaced by a still newer party as disillusioned voters migrate from one new party to the next.

The concept of cleavages structuring the party system hardly applies to these party systems. It has been argued that the communist inheritance left fragmented societies and an unstructured pattern of political conflict. This 'tabula rasa' thesis (Offe 1991) was contrasted by a 'post-communist continuity' thesis (Kitschelt 1992), which claimed that the socio-economic legacies of the interwar and the socialist eras were to define the conflict structure of the newly emerging democracies. Subsequent empirical analyses showed that the CEE countries were indeed characterised by conflicts of ethnicity (especially in the Baltic countries), religion (especially in Poland), region, class, age and education (Evans 2006; Rohrschneider and Whitefield 2012). However a multiplication of conflicts does not yet make for a clear-cut cleavage structure. Indeed, as Casal Bertoa (2015) argues, cross-cutting conflicts may constrain party system institutionalisation.

Early on, Kitschelt (1992) suggested several hypotheses on the structuring of CEE party systems. First of all, he proposed a conflict between modernisers, who were at the same time market liberalisers and cosmopolitans, and traditionalists, who were expected to resist both market liberalisation and the opening up of the national economy. In other words, contrary to the opposition between New Left cosmopolitans and New Right nationalists that resulted from the two transformations in NWE, he expected an opposition between right-cosmopolitans and left-nationalists. In addition, and related to this proposition, he expected the transition winners to embrace market liberalisation, while the losers were expected to search for protection from market liberalisation and market dependence. As a rival hypothesis, he also mentioned the possibility that the losers might resort to patterns of collective identity that lie outside of socio-economic relations, such as religion, nationality and ethnicity.

As it turned out, cultural issues have become more prominent in structuring the CEE party systems than socio-economic considerations. A major reason for this outcome is that, in addition to claims for social justice, the post-communist left also embraced liberal economic reforms and pro-Europeanism. As Tavits and Letki (2009) argue, the post-communist left was even more likely than its right-wing opponents to pursue rightist policies of fiscal responsibility and economic reform because it needed to prove its dissociation from socialism and its ability to operate in a democracy and a market economy, and because it also had the opportunity to do so, given the loyalty of its electorate. In other words, even if economic issues were among the most salient ones in CEE countries (see Rohrschneider and Whitefield 2009), they were not highly politicised, given the convergence of the post-communist left and right

on a policy of neoliberal reforms. However, the loyalty of the post-communist left's electorate already proved to be less than reliable in the 2000s. Given that there was nowhere to go on the left – there was no New Left in the sense that we know it in NWE at all – the transition losers searching for protection from market liberalisation and market dependence turned to political illiberals on the right, who constantly spoke of the economic issues confronting these losers but proposed non-economic answers to their problems (see Ost 2005: 36).

Accordingly, a recent empirical study suggests that the main dimension of conflict in CEE countries has indeed become strongly connected to cultural issues (Coman 2015). However, given the absence of a cultural revolution in the late 1960s/early 1970s in these countries, and given the absence of immigration and the generally low salience of European integration after accession (Haughton 2014), these are not the cultural issues that have come to structure the party systems in NWE. In line with Kitschelt's rival hypothesis, the common denominator of the cultural issues mobilising the traditionalist side of the CEE electorates seems to have become a 'defensive nationalism' asserting itself against internal enemies (such as ethnic minorities: Russians, Roma and Jews) and external ones (such as foreign corporations colonising the national economy, or the European Union imposing undesired policy measures). This defensive nationalism is embraced by the transition losers (e.g. 'Poland B') and fuelled by the existence of contested national borders (e.g. national diasporas in neighbouring countries), by the unassimilated legacy of World War II and the Communist regimes, and by 'more deep-seated vulnerabilities' (Haughton 2014: 80). Given the lack of institutionalisation of the party systems, established party leaders in CEE countries have a greater latitude to mobilise structural conflicts (see Sitter 2002), and the strategies of the parties on the right proved to be decisive in the way this defensive nationalism was mobilised (Enyedi 2005).

To summarise this discussion on the national party configurations in the three regions before the Great Recession, Figure 1.2 presents a stylised structuration of party competition before the economic crisis for each of the three regions. This stylised presentation situates the parties in a two-dimensional space which is defined by the issues that structure the party competition. For all three regions, we assume a two-dimensional space with an economic and a cultural dimension, which means that the issues that structure the party competition are assumed to be linked to two underlying conflicts: an economic conflict that opposes the left (which defends the welfare state) and the right (which defends neoliberal positions), and a cultural dimension that opposes a culturally open (integrationist or secular) position to a culturally closed

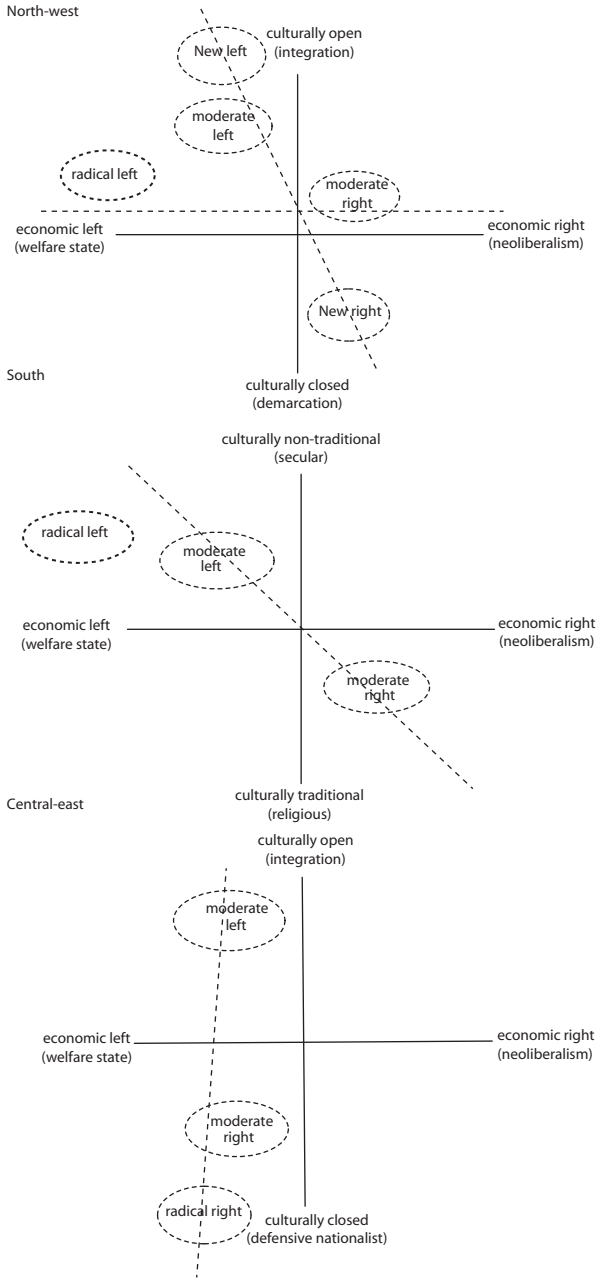

Figure 1.2 Stylised structuration of party competition in the three regions before the Great Recession

(demarcationist, religious or nationalist) position. Depending on the region, the two dimensions are more or less associated with each other, and the specific issues associated with the two dimensions vary according to the region, as do the actor configurations that are embedded in the two-dimensional space. The dashed lines in the stylised space indicate the dominant structuring conflicts.

For NWE, the stylised configuration opposes the mainstream parties of the moderate left and the moderate right on the economic dimension, while the challengers from the New Left and the New Right are opposed to each other on the cultural dimension. By the time the Great Recession hit, this cultural dimension was mainly related to conflicts over cultural liberalism, immigration and European integration. Note that the discrepancy between the pair of challengers along the cultural dimension is expected to be much more pronounced than the discrepancy between the pair of mainstream parties along the economic dimension. Note also that on the other dimension the two pairs are expected to be somewhat centrist. In addition, there may be a radical left (mainly small communist and socialist parties) in these countries whose position is expected to be close to the left-wing pole of the economic dimension.

For SE, this stylised configuration opposes a culturally somewhat liberal and economically somewhat interventionist moderate left against a culturally somewhat traditionalist and economically somewhat neoliberal moderate right. The two dimensions are expected to be closely associated with each other, and the actor configuration is expected to be mainly characterised by a bipolar opposition between the mainstream left and right that amalgamates economic and cultural issues. As argued before, the cultural dimension in SE should to some extent reflect the first transformation related to conflicts over cultural liberalism but should hardly at all reflect the second transformation related to conflicts over immigration and European integration. In addition, there are the remains of the Communist party and its allies, which, just like the radical left in NWE, are expected to be located close to the left-wing pole of the economic dimension.

For CEE, this stylised configuration opposes a moderate left and a moderate right party along the cultural dimension – a dimension that incorporates conflicts related to ethnic and nationalist issues. By contrast, mainstream parties from both the left and the right are expected to have economically converged to a somewhat pro-welfare position. The moderate left defends the rights of ethnic minorities and/or a secular position, while the moderate right is nationalist and possibly also religious. Given this volatile situation, both the moderate left and the moderate right might split and merge in different combinations but

always rearrange themselves into two polar camps, and new populist challengers from the right, but rarely from the left (given the discredited Communist legacy), are always likely to come and go as suggested by the concept of the 'new party subsystem'.

1.4 Crises as Triggers for Party System Transformation

As emphasised in our theoretical model, we expect that the political consequences of the economic crisis are the joint result of the antecedent conditions, the characteristics of the crisis and of contingent conditions during the crisis. As for the characteristics of the economic crisis, the political consequences depend on its severity and timing. As we shall see in Chapter 3, the severity of the crisis varied greatly between NWE (with Iceland and Ireland as important exceptions), on one hand, and SE and CEE, on the other hand. Thus, the simple fact that the economic crisis was less severe and less protracted in NWE already goes a long way towards explaining why its political impact was less profound in NWE than in SE. In addition, the timing of the Great Recession and experience of previous economic crises need to be taken into account. In this respect, CEE differs from NWE and SE. In CEE, the Great Recession came in the aftermath of a deep transition crisis, which had arguably better prepared the eastern Europeans for the shock experience of the economic downturn than the southern Europeans, for whom (with the notable exception of the Portuguese) the crisis came in the wake of an economic boom. Thus, as a result of their intense experience with economic hardship in the past, CEE voters had greater 'pain tolerance' in economic terms (Coffey 2013), a tolerance that, however, may have come to an end the second time around (Beissinger and Sasse 2014).

As is well known, in their first reactions to the financial crisis which initiated the Great Recession, governments focused on the stability of their national banking systems and on the consequences for the real economy. They adopted bank rescue packages and countered the economic impact of the crisis by adopting modest fiscal expansionary measures, relying on some version of 'liberal' or 'emergency' Keynesianism (Armingeon 2012; Hall 2013; Pontusson and Raess 2012; Weber and Schmitz 2011). As the financial crisis turned into the euro crisis under the impact of the Greek crisis that emerged in early 2010, governments changed their policies and generally turned to austerity measures. From then on, austerity policies including deep cuts in government expenditures, tax increases and structural adjustment programmes (above all labour market reforms and the deregulation of some selected sectors)

became the only game in town. TINA – there is no other alternative – became the catch phrase of economic policy.

It was with the turn to the euro crisis that the context of the European Union's multi-level governance structure assumed its full importance. Given the close economic interdependence of the EU member states, the economic crisis in Europe developed into the euro crisis (Copelovitch et al. 2016). This crisis was mainly driven by economic imbalances between different members of the eurozone (see, e.g., Lane 2012; Scharpf 2011). The governments of the weaker economies in SE and CEE in particular were unable to cope with the crisis, and the EMU governance structures revealed their structural weaknesses (see, e.g., Eichengreen 2012; Featherstone 2011). Importantly, the ensuing crisis management involved above all the EU's intergovernmental channel, and the European governments represented their national interests as 'debtor' (southern European plus Ireland) or 'creditor' (north-western European) nations in this bargaining process – whatever their partisan composition (see, e.g., Grande and Kriesi 2016; Laffan 2016b).

The euro crisis gave rise to a crisis situation in some 'debtor countries' that much reminds us of the Latin American experience of the 1980s and 1990s. Under the pressure from the EU (represented by the 'Troika' and legitimated by the decisions of the European Council), the national governments adopted austerity policies that had harsh effects on large parts of society. The model case is Greece, where the Troika intervened the most heavily and with the most dramatic consequences for the country's economy and its party system (see, e.g., Verney 2014). However, under the impact of the crisis, other countries in our sample became the object of supranational interventions too.[7] As a result, the governments' room for manoeuvre in macro-economic policy-making was severely restricted, and they were not able to adopt the reforms they had initially promised.

Importantly, an economic crisis may be linked to a political crisis. It may increase dissatisfaction not just with the incumbents but also with the established party system as a whole. It may exacerbate an already lingering crisis of representation in the party system, and/or it may create a crisis regarding the legitimacy of the party system as a whole.

[7] Three of the four CEE countries (i.e. Hungary, Latvia and Romania) received financial assistance from the EU/IMF. In SE, all four countries became the object of supranational interventions: Greece was the object of three bailout programmes, and Portugal experienced one bailout programme in spring 2011, Spain accepted a bailout of its banks by the ESM in summer 2012, and Italy, even if not formally bailed out, became the object of 'implicit conditionality' when it was hit by the financial storm in summer 2011. In NWE, Ireland was the only country bailed out by the EU/IMF in autumn 2010.

The political crisis may result from poor government performance during the economic crisis proper, but the economic crisis may also serve as a catalyst rendering intolerable the generally poor governance at the domestic level that had already prevailed before the crisis. This generally poor performance may have been the result of widespread corruption and partiality, insufficient rule of law or a general ineffectiveness of government. It may aggravate the country's economic difficulties, and these difficulties, in turn, may reduce the citizens' tolerance of poor governance. As Royo (2014) argues with regard to Spain, we cannot understand the Spanish real estate bubble, the country's loss of competitiveness or its financial crisis without taking into account what he calls the 'extractive behaviour' of the Spanish political elite and the general 'institutional degeneration' in Spanish politics. However, as he also argues, the problem in Spain has been both the extractive behaviour of the elite and the fact that civil society tolerated this behaviour. It was only when the economic crisis exposed the economic model as unsustainable that the public became outraged with the actions of its elite. In Chapter 2 we shall present some indicators of the extent to which the different regions and the different countries within them experienced a political crisis.

Dissatisfaction with the existing system of party representation and with the way democracy works in a given country is expressed through calls for democratic renewal and reform on the party competition agenda. When calls for democratic renewal become of overriding concern in national elections, we expect them to give rise to a reinterpretation of the cultural dimension of party competition. Such a reinterpretation is typical of a party system transformation phase and is likely to subside once the system has stabilised again. We expect such calls for democratic renewal to be primarily articulated by challenger parties. We suggest that political crises are generally likely to give rise to anti-elitist mobilisation, which is the hallmark of populist challengers – populism is considered here as an ideology that splits society into two antagonistic camps, the virtuous people and some corrupt establishment, effectively pitting one against the other and claiming to restore sovereignty to the people (see Mudde 2004; Canovan 1999). We should add, however, that a political crisis is not necessarily exogenous to the development of populism. If economic and political crises provide an opportunity for populist mobilisation, they are in turn aggravated and brought to a climax by populists' mobilisation strategies (Moffit 2014: 2). We should also note that populist challengers' readiness to exploit economic and political crises to their own electoral advantage is considerably attenuated when they are themselves part of the government, when they provide external

support to a (minority) government or when they are themselves involved in some major scandal (see Kriesi and Pappas 2015b).

Finally, to add even more complexity to the sequence of crises, the European governments and the EU institutions had to face yet another major challenge towards the end of the period covered by our study: the so-called refugee crisis. This challenge was caused by a massive inflow of asylum seekers into Europe – especially from war-ridden Syria but also from other countries around the world. According to Eurostat figures, asylum applications in the EU gradually increased from below 200,000 in 2006 to around 335,000 in 2012. Thereafter, their numbers increased to 431,000 in 2013, 627,000 in 2014 and a record high of almost 1.3 million in 2015.[8] As Börzel and Risse (2018) argue, the refugee crisis has revealed the EU's weaknesses in dealing with major crises even more than the euro crisis did. More specifically, they argue that it has led to 'non-compliance with existing EU laws and decisions' (Börzel and Risse 2018: 91) and to a number of nationalist measures (such as a tightening of border controls) in the absence of a working Europe-wide solution. The contestation related to the refugee crisis points to yet another conflict line that divides the EU member states – a 'geographical' divide unites the member states from SE and parts of NWE (especially Germany) against most of CEE and other parts of NWE. Most importantly for our argument, the political contestation related to the refugee crisis taps into a growing resentment towards cultural diversity and integration which, as we have argued before, were at the core of the mobilisation of the New Right and the restructuring of party politics in NWE long before 2015.

Whether or not the economic and/or the refugee crisis developed into a political crisis, which then gave rise to far-reaching transformations in party systems, depended on contingent conditions. Among these conditions, it is important to consider incumbency (again, see Figure 1.1). In the short run, economic crises may lead to the punishment of incumbents, as predicted by the economic voting literature. This literature is based on the assumption that instrumentally rational voters will reward the incumbents with their vote when the economy is good and punish them when it is bad (Duch and Stevenson 2008; Lewis-Beck and Stegmaier 2007). Empirical studies of economic voting document that it is both pervasive and variable, depending on the context. There is now also a growing literature on economic voting in the Great Recession, and this shows that the electoral punishment of the incumbents was massive and that it was a function of the depth of the recession (Bartels 2014;

[8] Source: http://ec.europa.eu/eurostat/statistics-explained/index.php/Asylum_statistics (accessed 31 August 2016).

Bellucci 2014; Hernández and Kriesi 2016; Indridason 2014; Magalhaes 2014a, 2014b; Marsh and Mikhaylov 2012, 2014; Teperoglou and Tsatsanis 2014; Torcal 2014). This literature has also shown that the punishment was particularly severe when the economic situation had deteriorated dramatically (involving ECB/IMF intervention) (see, e.g., Marsh and Mikhaylov 2012; Hernández and Kriesi 2016).

However, the vicissitudes of incumbency can have more far-reaching consequences than is typically assumed in the economic voting literature. As we know from Roberts' (2013) analysis of the consequences of the implementation of structural adjustment programmes in the Latin American economic crisis of the 1980s/1990s, the outcomes were shaped by contingent alignments or configurations of actors during the economic crisis.[9] The structural adjustments either aligned or de-aligned the party system programmatically, depending on which party was in government and therefore had to implement the programme. Anti-neoliberal reactive sequences were moderate where conservative-led market reforms aligned party systems programmatically, stabilised party competition and channelled societal resistance toward institutionalised leftist parties (rather than into extra-systemic forms of social and electoral protest).

By contrast, where traditional centre-left or populist parties implemented the structural adjustment policies, the critical juncture of the crisis de-aligned party systems programmatically and eventually led to their destruction. Reactive sequences produced electoral shifts to the left across much of Latin America in the post-adjustment era, but they spawned very different types of left turns in aligned and de-aligned party systems. Against this background, it is very important to note that in three out of four SE countries (Greece, Portugal and Spain), the centre-left was in government when the crisis struck. Even in Italy, the centre-left was indirectly involved in the implementation of adjustment programmes, given that it supported the technocratic Monti government that was responsible for the programme. In other words, in these countries the conditions were right for a 'neoliberal convergence' of the major parties together with corresponding programmatic de-alignments.

Moreover, to a large extent the 'neoliberal convergence' of the major parties was imposed by forces external to domestic party competition. Therefore, we should take into account not only the two types of crisis (economic and political) but also the fact that the economic crisis gave rise to two overlapping types of conflict (with the domestic elite and the European elite). The domestic conflict focused on austerity policies (an

[9] For related arguments, see Mainwaring (2006), Morgan (2011), Seawright (2012) and Lupu (2014).

economic issue) on one hand and corruption and democratic renewal (a political issue) on the other hand. The supranational conflict, where it was present, obviously was about austerity too, but it also revolved around the defence of the nation state, national pride and humiliation, and it addressed the democratic deficit at the European level.

Whoever is in government when an economic crisis hits is likely to attempt to shift the public's attention away from the crisis situation. Avoidance strategies include displacing problems, shifting the debate to secondary arenas, transforming substantive conflicts into moral ones, personalising and negative publicity ('negative campaigning') (Kriesi et al. 2009). But although incumbents may wish to avoid economic issues in an economic crisis, they may not be able to do so, because in a situation of deep crisis such issues become the top priority for the electorate and because the opposition parties may seize the opportunity to campaign on the poor economic performance of the governing parties. The mainstream opposition is indeed likely to seize the golden opportunity to blame the incumbents for the faltering economy and to gain in profile by promising a better future. However, the mainstream opposition still basically has a choice between an accommodating and an adversarial strategy.[10] It may seem unlikely that it will choose to cooperate with the incumbents' austerity measures to counter the economic crisis, but this cannot be excluded. Under pressure from the international community, the mainstream opposition may be forced to act responsibly and support the government's policies. Alternatively, it may support such measures because they are in line with its programmatic orientation, as may be the case when centre-right opposition parties are confronted with austerity measures taken by a centre-left government. Accommodating strategies of mainstream opposition parties may be implemented in the form of grand coalitions, technocratic governments, or simply by tacit or overt support from the outside.

Nevertheless, opposition parties are more likely to adopt adversarial strategies, especially if it is the centre-left that is in opposition. In opposition, the left can benefit from its issue ownership on social issues, i.e. from its reputation and credibility in defending programmes in favour of the economically disadvantaged. Provided they find themselves in opposition, we expect Social Democrats and especially the more radical left to distinguish themselves from the more pronounced austerity positions of the moderate right. If they are in opposition, the economic

[10] Meguid (2005) distinguishes between three strategies – dismissive, adversarial and accommodating ones – which mainstream parties can adopt with respect to what she calls 'niche' parties. The same applies, we would argue, to mainstream opposition parties with respect to incumbents.

crisis provides an opportunity for both Social Democrats and the radical left to rejuvenate their traditional socio-economic profiles. If the left is in opposition and, indeed, adopts an adversarial strategy, the party system will increasingly polarise on economic issues. Whatever the strategy adopted by the opposition parties, however, economic issues are likely to gain high salience on the party-system agenda (Green-Pedersen and Mortensen 2010) under the impact of the economic crisis.

The economic voting literature assumes that economically induced voting behaviour is cyclical without any long-term consequences. Moreover, it essentially assumes that voters who are dissatisfied with the economic performance of incumbents turn to mainstream opposition parties. However, modern crises 'are increasingly characterised by complexity, interdependence and politicisation' (Rosenthal et al. 2001), they generate uncertainty, threats, and discontinuity and tend to act as focal points for institutional, policy and political changes that leave significant legacies (Gourevitch 1986). Thus, while voters may habitually turn to mainstream opposition parties in normal times, in an extraordinary crisis situation they may move beyond mainstream opposition parties and opt for parties not so closely associated with the existing economic and political system. In a crisis situation, the extraordinary punishment of mainstream parties as a whole may (but need not, as we shall see in the case of Ireland) serve as a catalyst for a long-term transformation of the party system.

Transformation of a party system by reactive sequences unleashed by a political crisis takes time and is likely to occur in stepwise fashion. Indeed, as Roberts (2017: 5) notes, considerable time may pass between the demise of the old order and the consolidation of the new. The demise of the old order may result in fluid unstable party competition so that no new equilibrium is reached. In Latin America, some of the most important institutional changes in party systems did not play out during the critical phase of structural adjustment but instead in its aftermath or the post-adjustment period, when societal resistance to market liberalisation strengthened and the region began to 'turn left' politically. We suggest that it takes a series of 'critical elections' for a deep crisis to transform the party system of a given country. At first, the voters who punish the mainstream incumbent are likely to turn to the mainstream opposition. Only in a second step, when the mainstream opposition also proves incapable of improving the situation, are voters likely to opt for challenger parties (Hernández and Kriesi 2016).[11] This stepwise scenario may mainly

[11] In his study of the protest vote in CEE, Pop-Eleches (2010) similarly distinguishes between what he calls three generations of elections which are characterised by different dynamics of party competition: the founding election; the second generation elections of 'normal years', when the protest vote punishes incumbents and turns to the opposition

apply to SE and CEE, where the party systems are less institutionalised, and may be less applicable to NWE, where the mainstream parties are more resilient. In any case, the stepwise scenario implies that we shall need to study a series of (post-)crisis elections to be able to assess the impact of the economic crisis on party systems.

Moreover, to study the restructuring impact of such a crisis, it is important to keep in mind that as voters turn to challenger parties they are likely to take their preferences into account. As van der Brug et al. (2000) argued some time ago, a vote for a challenger party is not just a protest vote but also an expression of political preferences. Hernández and Kriesi (2016), Hernández (2016), and Hobolt and Tilley (2016) have confirmed this hunch more recently. They have shown that in the Great Recession the European voters not only punished the mainstream incumbents but mainstream parties in general: depending on their political preferences and the European region, they turned to challengers from either the left or the right.

1.5 Implications for the Transformation of Party Competition in the Three Regions

From these general considerations, we deduce some ideal-typical scenarios for the impact of the Great Recession on the structuration of national party systems in the three regions – scenarios that will serve as a guide for our analyses in the country-specific chapters. In a very loose sense, these scenarios have the character of guiding hypotheses. They may not apply to all the countries they intend to cover. Even in such cases where the relevant scenario does not apply, it may, however, still serve a useful purpose, because it may direct our attention to possible factors that prevented the development expected by the scenario. Although the crisis which we are focusing on here was a deep economic crisis, we maintain that one of its crucial consequences for European national party systems was a reinforcement of the non-economic dimensions of conflict – in different ways, depending on the region. In NWE, we suggest that the economic crises reinforced the integration–demarcation conflict, while in SE it gave rise to the emergence of a conflict between 'old' and 'new' politics, and in CEE it reinforced the conflict between defensive nationalism and cultural and economic openness. In addition, given the depth of the economic crisis, we do not exclude the possibility of a resurgence of

camp; and the third-generation elections when both mainstream camps have well-established but not altogether positive records and the protest vote turns to previously marginal unorthodox parties and new parties.

the politicisation of economic conflicts, especially in the hard-hit countries of SE.

We begin with NWE, for which we propose a scenario of continuity. As we have argued, in NWE the challengers in the party system originally came from the New Left but more recently mainly from the New Right. For this region, we shall distinguish between two types of countries: countries where the New Right has been on the rise since the early 1980s; and countries where the New Right was not yet established before the Great Recession. In the former countries, where the New Right was already well entrenched when the financial crisis hit, the economic crisis is most likely to have only had a limited impact on the party systems. In these countries the economic crisis was not very severe in the first place, which constrained its structuring capacity. As a result of the euro crisis, where these countries were on the side of the creditor countries, both economic and cultural conflicts are likely to have been reinforced to some extent, given the reluctance of their electorates to support the debtor countries, a reluctance which was justified both on economic and on moral grounds. Similarly, the refugee crisis that intervened at the end of the period covered by our study is likely to have reinforced both economic and cultural conflicts in these countries. However, the main reason for the limited structuring capacity of these crises lies in the fact that the party systems of these countries had already been transformed as a result of the long-term rise of the New Left and the New Right before the crises intervened. In other words, the integration–demarcation conflict had already been institutionalised in their party systems. In Austria, France, the Netherlands and Switzerland, the economic and the refugee crises may at best have served to reinforce long-term trends.

However, in these countries the economic crisis may have triggered modifications in the position of the New Right along the economic dimension: while the rise of the New Right in these countries was mainly due to its positions along the cultural dimension, we should not forget that, according to Kitschelt's (1995) 'winning formula', it originally combined cultural nationalism with economic liberalism. Already before the crisis, the New Right had started to shift its economic position to the left (see Michel unpublished) as a result of the declining importance of the anti-state, anti-tax petite bourgeoisie among its electorate.[12] Given that its constituency of 'globalisation losers' was particularly hard hit by the Great Recession, we expect the New Right to have increasingly

[12] Switzerland is a notable exception in this respect (see Afonso and Rennwald forthcoming).

abandoned Kitschelt's (1995) winning formula during the crisis and to have adopted a more social-democratic position along the economic dimension. As a result, the alignment between the economic and the cultural dimensions should have become even weaker during the crisis period than it already was in these countries.

For the countries in NWE where for different reasons no party of the populist right had already established itself before the onset of the Great Recession, the multiple crises that Europe subsequently faced may have served as a catalyst to allow them to belatedly catch up with the general trend. With the exception of Ireland (and the United Kingdom, which was not part of the eurozone), these countries found themselves among the creditor countries in the euro crisis too. In other words, the reluctance of their electorates to support the debtor countries provided a strong incentive for the mobilisation of the nationalist Eurosceptics of the New Right, who defended their national taxpayers against solidarity with undeserving debtors. Moreover, the internal migration within the EU and the refugee crisis served as additional incentives for the mobilisation of the New Right. Accordingly, we would expect an increasing restructuring capacity of new cultural issues – European integration and immigration above all – and a breakthrough of new challenger parties that mobilised on these issues. Arguably, this second scenario of continuity applies to Germany and the UK – two cases which are included in our study – and also to countries such as Sweden (Jungar 2015) and Finland (Ylä-Anttila and Ylä-Anttila 2015), which are not part of it. Ireland is the exception that confirms the rule: as a debtor country, Ireland experienced the crisis above all in economic terms (similar to the SE countries in this respect), which provided an unlikely basis for mobilisation by the populist radical right.

In stark contrast to NWE, as we shall show in detail in Chapter 3, in SE the Great Recession not only struck hard but also unleashed a political crisis of major proportions. In line with these contextual conditions, the appropriate scenario for SE is one of a profound transformation of the party systems, a transformation we suggest followed the stepwise procedure described in Section 1.4. As is well known, this transformation was driven by challengers from the New Left. As already mentioned, the New Left benefited from the fact that, in all four countries, the mainstream left was in government (or supporting a technocratic government) at the time when the crisis developed its greatest political momentum. Accordingly, it was the mainstream left which had to implement the austerity measures imposed on SE governments, with the devastating consequences on its electoral fortunes that we know from Latin America. It was up to the New Left to articulate the left's traditional anti-austerity position in the face of

extreme economic hardship. In addition, the New Left could most credibly make claims for democratic renewal, which became a key issue in SE as a result of the erosion of the mainstream parties under the impact of the economic crisis. As a consequence of the New Left's double opposition to the mainstream parties on economic and political grounds, economic and political conflicts are expected to have become closely aligned in the SE political space. As long as the mainstream left was in government, it was the target of the New Left's call for democratic renewal, but once it rejoined the opposition it is likely to have shifted to the democratic renewal camp too, which, in turn, facilitated the alignment of the two types of conflicts.

As will be shown in Chapter 3, with the exception of Poland, the CEE countries were hit hard by the economic crisis too, but – contrary to the southern European countries – they recovered rather rapidly. What distinguishes these countries is that their party systems were already in crisis before the Great Recession struck. This applies both to countries with an already robust party competition (Hungary and Poland in our study) and to countries without such a robust competition (Latvia and Romania in our study).[13] In the latter group, politics was far more corrupt and the consolidation of a structured competition appeared to be less likely than in the former group before the onset of the economic crisis. In all four countries we are considering here, a political crisis had preceded the onset of the economic crisis. Given their poor political governance records, these countries had seen political mobilisations against corrupt elites and for political renewal before the economic crisis struck. These political crises were expressions of the as-yet-incomplete consolidation of their party systems. As a result of the fact that the political crisis preceded the economic crisis, our framework needs to be amended for CEE countries.

The scenario we propose for the CEE countries is one of consolidation of still fairly volatile party systems. In the case of these countries, the impact of the economic crisis was linked to the pre-existing political crisis. We suggest that in the wake of the preceding political crises the overriding contentious issues in CEE party systems during the Great Recession were of a more narrowly political nature and that the economic crisis, although (with the exception of Poland) very severe, only had a rather limited impact on the restructuring of their party systems. The economic crisis may even have contributed to further consolidation of these party systems by bringing the lingering political crisis to a head. The exception to this scenario is again Poland, where the political crisis had already been resolved (at least for the time being) before the economic crisis struck.

[13] For this distinction, see Grzymala-Busse (2007: 10–15) and Innes (2014).

In the absence of a New Left, the likely drivers of the expected consolidation were the mainstream parties, although they were still challenged by new parties on the radical right. As a result of this scenario, we expect the key dimension to be the cultural dimension, which includes the key issues related to democratic renewal and to 'defensive nationalism'.

As this summary of the expected ideal-typical scenarios suggests, we assume that the Great Recession had one common counter-intuitive effect on the party systems in all three regions: we expect that it reinforced the cultural-cum-political dimension across Europe. In NWE, this is a consequence of the reinforced mobilisation of the New Right, while in SE and CEE it results from the political crises that it initiated or brought to a head.

1.6 Outline of the Book

The book is structured in three main parts. In addition to the present chapter, the first part includes an overview of the design of the study and an empirical assessment of the extent to which the fifteen countries faced an economic and political crisis situation (Chapter 2). Chapter 3 presents the type of media-based data we use to study conflicts in the electoral arena and it cross-validates our approach with the well-known comparative manifesto data. The second part (eleven chapters in total) presents detailed studies of how the national party systems have been restructured since the onset of the Great Recession in 2008. This part is split into three sub-parts, each focusing on one of the three macro regions in Europe. Chapters 4 to 7 deal with the developments in the four southern European countries; Chapters 8 to 11 with those in central and eastern Europe; and finally Chapters 12 to 14 take stock of the developments in north-western European party competition. Each country chapter is structured in the same way: first, the authors discuss the key traditional and new divides structuring party competition and the institutional setting (especially the electoral system) and actor configuration. Next, they turn to the crisis dynamics and present the main developments that left their mark on party competition in the country in question. In a third step, an empirical analysis based on media data is introduced and discussed. Given that six countries in NWE have already been represented in earlier studies by Kriesi et al. (2008, 2012), we have decided to devote only two chapters to those cases: Chapter 12 examines the impact of the crises in the countries that already had a strong New Right party prior to 2008 – Austria, France, the Netherlands and Switzerland. Chapter 13, by contrast, compares Britain and Germany, as the two countries which only saw electoral inroads by these parties in the crisis period. Chapter 14

concludes this part with the case of Ireland. The third part of the books consists of two comparative chapters. Chapter 15 presents a comparative assessment of the commonalities and dissimilarities across the three regions. This quantitative study on the big picture of the partisan offer (measured with our original media data) is complemented by the final chapter, which considers additional features of party systems and takes a more qualitative and country-focused approach to summarise the dynamics and outcomes of the crises. In combination, the two chapters provide an answer to our initial research questions of whether and how the multiple crises that Europe faced in the aftermath of the Great Recession influenced the intensity and structuration of political conflict in national party systems.